GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:1824
ANSWERED ON:04.08.2005
DEFENCE DEALS
Khan Shri Mohammad Tahir;Kushwaha Shri Narendra Kumar;Munshiram Shri

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government has laid down some conditions to struck defence deals with the foreign companies;

(b) if so, the details thereof;

(c) whether these conditions will also be applicable on the deals with foreign companies in regard to which prices have already been negotiated; and

(d) if so, the details in this regard?

Answer

MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE)

(a) & (b): Defence Procurement Procedure (DPP) 2005 and Defence Procurement Manual (DPM) 2005 lay down guidelines for procurement of defence items under capital and revenue head respectively. Both DPP-2005 and DPM-2005 regulate the acquisition of defence items for the three Services from indigenous and foreign sources.

(c) & (d): In cases where the contracts have already been signed after negotiating the prices, the procurement is governed by the provisions of the contract.